

**Coram Healthcare**  
**Appendix 1:**  
**Comparable Market Analysis - Selection of Comparables**

|                          | Chardin 7/00<br>July 31, 2000 | Chardin 12/00<br>December 4, 2000 | UBS 12/00<br>December 11, 2000 | D&T 12/00<br>December 14, 2000 | Goldin 7/00<br>July 31, 2000 | Goldin 12/00<br>December 14, 2000 | Goldin 6/01<br>June 15, 2001 | Goldin 8/01<br>August 31, 2001 |
|--------------------------|-------------------------------|-----------------------------------|--------------------------------|--------------------------------|------------------------------|-----------------------------------|------------------------------|--------------------------------|
| Apria Healthcare Group   | x                             | x                                 | x                              | x                              | x                            | x                                 | x                            | x                              |
| American Home Patient    |                               |                                   | x                              | x                              | x                            | x                                 | x                            | x                              |
| Gantiva Health Services  | x                             | x                                 | x                              | x                              | x                            | x                                 | x                            | x                              |
| In Home Health           |                               |                                   | x                              |                                |                              |                                   |                              |                                |
| Lincare Holdings, Inc.   | x                             | x                                 | x                              |                                | x                            | x                                 | x                            | x                              |
| Opian Care, Inc.         | x                             | x                                 | x                              |                                | x                            | x                                 | x                            | x                              |
| Pediatric Services, Inc. |                               |                                   | x                              |                                |                              |                                   |                              |                                |
| US Oncology, Inc.        |                               |                                   | x                              |                                |                              |                                   |                              |                                |

Coran Healthcare  
Appendix 2  
Comparable Market Analysis: Consideration of Comparables

| Criteria:          | Business Line  | Company Name                         | Net Sales<br>\$ millions | Comp? | Details / Comments   |
|--------------------|--|--------------------------------------|--------------------------|-------|--|
| Business Line      | Home Health Care, SIC 8082   | Almost Family, Inc.                  | 44.7                     | N     | Basic business is day-care for elderly. Discontinued its visiting nurses service, and sold infusion business Regional (8 states) |
| Sales              | Must exceed \$50 million and/or exceed 10% of company's sales      | Ammedsys, Inc.                       | 90.8                     | N     | Regional (South & Southeast) Home infusion is not a material part of revenue Provides various medical services to prisons        |
| Industry Structure | Must be publicly traded company and can not be a subsidiary        | Ameriia Service Group, Inc.          | 381.9                    | N     | Home infusion is not a material part of revenue Subsidiary of MJM Corp.  |
| Solvency           | Can not be in bankruptcy   | American Disease Mgmt. Assoc., LLC   | Not Public               | N     | 19% of Revenues from home infusion Home Healthcare is regional (Northeast)   |
| Location           | Majority of sales in USA and services to more than a regional area | American HomePatient, Inc.           | 363.4                    | Y     | 19% of Revenues from home infusion Home Healthcare is regional (Northeast)   |
|                    |  | Apria Healthcare Group Inc.          | 1,014.2                  | Y     | 50% of sales through its Roto-Rooter subsidiary Home infusion is not a material part of revenue                                  |
|                    |  | Chemed Corporation/Patient Care Inc. | 510.7                    | N     | Subsidiary of Landauer Hospital Supplies, Inc. Provides various healthcare services Regional (Florida)                           |
|                    |  | Community Care Services, Inc.        | Not Public               | N     | Home infusion is not a material part of revenue  |
|                    |  | Continute Care Corp.                 | 116.6                    | N     | Too small  |
|                    |  | Dynamac Int'l, Inc.                  | 26.0                     | N     | Subsidiary of American Service Group   |
|                    |  | MSMSA Government Services, Inc.      | 1,566.6                  | Y     | Home infusion ("Specialty Pharmaceutical Services") 50% of sales Nationwide  |
|                    |  | Sentilia Health Services, Inc.       |                          |       | Not In Home Health Care SIC 8082   |
|                    |  | Stirring Health Care Inc.            |                          |       | Has filed for chapter 11 bankruptcy protection   |
|                    |  | Home Health Corp. of America, Inc.   | 174.3                    | N     | Subsidiary of Apria Healthcare   |
|                    |  | Homedco Group                        | Not Public               | N     | Subsidiary of Adventist Health System  |
|                    |  | Housescan Medical Services           | Not Public               | N     | Subsidiary of Manor Care, Inc.   |
|                    |  | In Home Health, Inc.                 | 80.0                     | N     | Subsidiary of Amedysis, Inc.   |
|                    |  | Infusioncare Solutions, Inc.         | Not Public               | N     | Too small  |
|                    |  | Inu-Tech, Inc.                       | 18.7                     | N     | Has filed for chapter 11 bankruptcy protection   |
|                    |  | Integrated Health Services           | 2,559.3                  | N     | Subsidiary of Praxair  |
|                    |  | Interwest Home Medical, Inc.         | 43.3                     | N     | Too small  |
|                    |  | Landauer Hospital Supplies Inc.      | 47.2                     | N     | Manufacturers and markets dosimeters (radiation detection badges)  |
|                    |  | incare Holdings Inc.                 |                          |       | Primary business is oxygen and respiratory home treatment Home infusion is not a material part of revenue                        |
|                    |  |                                      | 702.5                    | N     |  |

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**Appendix 2**  
**Comparable Market Analysis- Consideration of Comparables**

|   | 2005       | 2006 | 2007   | 2008 | 2009 | 2010 |
|---|------------|------|--|------|------|------|
| Manor Care                                    | 2,380.6    | N    | Mostly "assisted living services" and nursing homes              |      |      |      |
| Mania Healthcare, Inc.                        | 225.8      | N    | Specializes in services and supplies to dialabetics              |      |      |      |
|   |            |      | Home infusion is not a material part of revenue                  |      |      |      |
| MIM Corp.                                     | 369.8      | N    | Negotiates discounts on pharmacy discounts for its group members |      |      |      |
| National HealthCare Corp.                     | 462.4      | N    | Manages Long Term Healthcare Centers                             |      |      |      |
|   |            |      | Regional (Southeast)   |      |      |      |
| National Home Health Care Corp.               | 55.6       | N    | Home care for physical therapy, marital therapy and geriatrics   |      |      |      |
|   |            |      | Regional (Northeast)   |      |      |      |
| New York Health Care, Inc.                    | 29.4       | N    | Too small  |      |      |      |
| NUMED Home Health Care, Inc.                  | 17.1       | N    | Too small  |      |      |      |
| Option Care, Inc.                             | 141.3      | Y    | Infusion therapies and services is 64% of sales                  |      |      |      |
|   |            |      | Services over 30 states  |      |      |      |
| Pediatric Services of America, Inc.           | 186.4      | N    | Focuses on nursing and respiratory therapy                       |      |      |      |
| Precision Health Systems LLC                  | Not Public | N    | Not in Home Health Care SIC 8082                                 |      |      |      |
| Ro Tech Medical                               | Not Public | N    | Subsidiary of Integrated Health Services                         |      |      |      |
| Star Multi Care Services, Inc.                | 39.2       | N    | Too small  |      |      |      |
| Sunbelt Home Health Services                  | Not Public | N    | Not in Home Health Care SIC 8082                                 |      |      |      |
| Tender Loving Care Health Care Services, Inc. | 235.7      | N    | Home infusion is not a material part of revenue                  |      |      |      |
| Transworld Healthcare, Inc.,                  | 135.4      | N    | Over 2/3rd of sales in UK  |      |      |      |
|   |            |      | US services are regional (New York and New Jersey)               |      |      |      |
| United Medical Inc.                           | Not Public | N    | Services include delivery of continence and wound-care products  |      |      |      |
| US Oncology                                   | 1,324.2    | N    | Subsidiary of Lincare Holdings                                   |      |      |      |
|   |            |      | Focus on Oncology  |      |      |      |
|   |            |      | Home infusion is not a material part of revenue                  |      |      |      |

**Coram Healthcare**  
**Appendix 3**  
**Comparable Market Analysis - Calculation of Multiples**

|                                  | Charin 7/00<br>July 31, 2000 | Charin 12/00<br>December 4, 2000 | UBS 12/00<br>December 11, 2000 | D&T 12/00<br>December 14, 2000 | Goldfin 7/00<br>July 31, 2000 | Goldfin 12/00<br>December 14, 2000 | Goldfin 6/01<br>June 15, 2001 | Goldfin 8/01<br>August 31, 2001 |
|----------------------------------|------------------------------|----------------------------------|--------------------------------|--------------------------------|-------------------------------|------------------------------------|-------------------------------|---------------------------------|
| <b>Arria Healthcare Group</b>    |                              |                                  |                                |                                |                               |                                    |                               |                                 |
| Revenue                          | 982,452                      |                                  |                                |                                | 986,203                       | 982,452                            | 1,034,833                     | 1,085,743                       |
| EBITDA                           | 220,276                      |                                  |                                |                                | 236,702                       | 220,278                            | 239,702                       | 252,381                         |
| EBITDA - Capital expenditures    | 211,981                      |                                  |                                |                                |                               |                                    |                               |                                 |
| Market capitalization            | 687,123                      |                                  |                                |                                | 1,346,144                     | 657,123                            | 1,346,144                     | 1,458,747                       |
| Debt                             | 376,975                      |                                  |                                |                                | 322,989                       | 376,975                            | 322,989                       | 332,794                         |
| Enterprise value                 | 1,046,098                    |                                  |                                |                                | 1,665,133                     | 1,045,098                          | 1,659,133                     | 1,732,541                       |
| Equity percent                   | 64%                          |                                  |                                |                                | 61%                           | 64%                                | 61%                           | 62%                             |
| Debt percent                     | 35%                          |                                  |                                |                                | 19%                           | 36%                                | 19%                           | 18%                             |
| <b>Multiple</b>                  |                              |                                  |                                |                                |                               |                                    |                               |                                 |
| EV/Revenue                       | 1.09                         |                                  |                                |                                | 1.67                          | 1.09                               | 1.67                          | 1.67                            |
| EV/EBITDA                        | 4.75                         |                                  |                                |                                | 5.95                          | 4.75                               | 5.95                          | 7.05                            |
| EV/EBITDA - Capital expenditures | 4.94                         | 6.26                             |                                |                                |                               |                                    |                               |                                 |
| <b>American Home Patient</b>     |                              |                                  |                                |                                |                               |                                    |                               |                                 |
| Revenue                          |                              |                                  |                                |                                | 354,950                       | 358,832                            | 384,404                       | 361,501                         |
| EBITDA                           |                              |                                  |                                |                                | 27,069                        | 27,068                             | 29,258                        | 28,187                          |
| EBITDA - Capital expenditures    |                              |                                  |                                |                                |                               |                                    |                               |                                 |
| Market capitalization            |                              |                                  |                                |                                | 5,504                         | 2,325                              | 2,165                         | 26,124                          |
| Debt                             |                              |                                  |                                |                                | 122,407                       | 286,417                            | 145,341                       | 239,255                         |
| Enterprise value                 |                              |                                  |                                |                                | 128,011                       | 286,742                            | 147,507                       | 245,376                         |
| Equity percent                   |                              |                                  |                                |                                | 4%                            | 1%                                 | 2%                            | 10%                             |
| Debt percent                     |                              |                                  |                                |                                | 99%                           | 99%                                | 98%                           | 90%                             |
| <b>Multiple</b>                  |                              |                                  |                                |                                |                               |                                    |                               |                                 |
| EV/Revenue                       | 0.38                         |                                  |                                |                                | 0.81                          | 0.38                               | 0.41                          | 0.67                            |
| EV/EBITDA                        | 4.87                         |                                  |                                |                                | 10.31                         | 4.62                               | 5.22                          | 6.63                            |

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|                                  | Charin 7700<br>July 31, 2000 | Charin 1200<br>December 4, 2000 | UES 1200<br>December 11, 2000 | D&T 1200<br>December 14, 2000 | Goldin 7000<br>July 31, 2000 | Goldin 12000<br>December 14, 2000 | Goldin 8001<br>June 15, 2001 | Goldin 8001<br>August 31, 2001 |
|----------------------------------|------------------------------|---------------------------------|-------------------------------|-------------------------------|------------------------------|-----------------------------------|------------------------------|--------------------------------|
| <b>Genitrix Health Services*</b> |                              |                                 |                               |                               |                              |                                   |                              |                                |
| Revenue                          | 1,506,269                    | 1,415,400                       | 1,519,979                     | 1,505,269                     | 1,415,400                    | 1,379,215                         | 1,431,388                    |                                |
| EBITDA                           | 48,912                       | 48,900                          | (90,421)                      | 48,912                        | 49,900                       | 86,508                            | 85,340                       |                                |
| EV/EBITDA - Capital expenditures | 33,098                       |                                 |                               |                               |                              |                                   |                              |                                |
| Market capitalization            | 173,644                      | 312,009                         | 267,433                       | 171,644                       | 267,433                      | 398,720                           | 450,626                      |                                |
| Debt                             | 119,691                      |                                 | 92,584                        | 119,691                       | 92,584                       | 20,900                            | 19,400                       |                                |
| Enterprise value                 | 281,355                      | 312,009                         | 350,017                       | 291,355                       | 350,017                      | 416,720                           | 470,026                      |                                |
| Equity percent                   | 59%                          | 100%                            | 74%                           | 59%                           | 74%                          | 95%                               | 96%                          |                                |
| Debt percent                     | 41%                          | 0%                              | 26%                           | 41%                           | 26%                          | 5%                                | 4%                           |                                |
| <b>Multiple</b>                  |                              |                                 |                               |                               |                              |                                   |                              |                                |
| EV/Revenue                       | 0.19                         | 0.26                            | 0.24                          | 0.19                          | 0.25                         | 0.28                              | 0.33                         |                                |
| EV/EBITDA                        | 5.96                         | 6.15                            | 6.25                          | 5.98                          | 7.21                         | 4.71                              | 5.51                         |                                |
| EV/EBITDA - Capital expenditures | 6.93                         | 7.46                            |                               |                               |                              |                                   |                              |                                |
| <br><b>In Home Health</b>        |                              |                                 |                               |                               |                              |                                   |                              |                                |
| Revenue                          |                              |                                 |                               |                               | 91,530                       |                                   |                              |                                |
| EBITDA                           |                              |                                 |                               |                               | 4,406                        |                                   |                              |                                |
| EV/EBITDA - Capital expenditures |                              |                                 |                               |                               |                              |                                   |                              |                                |
| Market capitalization            |                              |                                 |                               |                               |                              |                                   |                              |                                |
| Debt                             |                              |                                 |                               |                               |                              |                                   |                              |                                |
| Enterprise value                 |                              |                                 |                               |                               |                              |                                   |                              |                                |
| Equity percent                   |                              |                                 |                               |                               |                              |                                   |                              |                                |
| Debt percent                     |                              |                                 |                               |                               |                              |                                   |                              |                                |
| <b>Multiple</b>                  |                              |                                 |                               |                               |                              |                                   |                              |                                |
| EV/Revenue                       |                              |                                 |                               |                               |                              |                                   |                              |                                |
| EV/EBITDA                        |                              |                                 |                               |                               |                              |                                   |                              |                                |
| EV/EBITDA - Capital expenditures |                              |                                 |                               |                               |                              |                                   |                              |                                |

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|                                  | Chanc 7/00<br>July 31, 2000 | Chanc 12/00<br>December 4, 2000 | UBS 12/00<br>December 11, 2000 | D&T 12/00<br>December 14, 2000 | Goldin 7/01<br>July 31, 2000 | Goldin 8/01<br>June 15, 2001 | Goldin 8/01<br>August 31, 2001 |
|----------------------------------|-----------------------------|---------------------------------|--------------------------------|--------------------------------|------------------------------|------------------------------|--------------------------------|
| <b>Liners Holdings, Inc.</b>     |                             |                                 |                                |                                |                              |                              |                                |
| Revenue                          | 628,798                     |                                 |                                |                                | 665,573                      |                              |                                |
| EBITDA                           | 246,864                     |                                 |                                |                                | 259,725                      |                              |                                |
| EBITDA - Capital expenditures    | 183,462                     |                                 |                                |                                |                              |                              |                                |
| Market capitalization            |                             |                                 |                                |                                |                              |                              |                                |
| Debt                             |                             |                                 |                                |                                | 2,774,262                    |                              |                                |
| Enterprise value                 |                             |                                 |                                |                                | 286,387                      |                              |                                |
| Equity percent                   |                             |                                 |                                |                                | 3,050,679                    |                              |                                |
| Debt percent                     |                             |                                 |                                |                                |                              |                              |                                |
|                                  |                             |                                 |                                |                                | 91%                          |                              |                                |
|                                  |                             |                                 |                                |                                | 9%                           |                              |                                |
| <b>Multiple</b>                  |                             |                                 |                                |                                |                              |                              |                                |
| EV/Revenue                       | 2.70                        | 3.82                            |                                |                                | 4.60                         |                              |                                |
| EV/EBITDA                        | 6.86                        | 9.79                            |                                |                                | 11.78                        |                              |                                |
| EV/EBITDA - Capital expenditures | 8.28                        | 12.69                           |                                |                                |                              |                              |                                |
| <b>Option Care, Inc.</b>         |                             |                                 |                                |                                |                              |                              |                                |
| Revenue                          | 124,191                     |                                 |                                |                                | 124,191                      |                              |                                |
| EBITDA                           | 13,809                      |                                 |                                |                                | 13,809                       |                              |                                |
| EBITDA - Capital expenditures    | 12,094                      |                                 |                                |                                |                              |                              |                                |
| Market capitalization            |                             |                                 |                                |                                |                              |                              |                                |
| Debt                             |                             |                                 |                                |                                | 76,162                       |                              |                                |
| Enterprise value                 |                             |                                 |                                |                                | 65,316                       |                              |                                |
| Equity percent                   |                             |                                 |                                |                                | 16,483                       |                              |                                |
| Debt percent                     |                             |                                 |                                |                                | 77,808                       |                              |                                |
|                                  |                             |                                 |                                |                                |                              |                              |                                |
|                                  |                             |                                 |                                |                                | 76,162                       |                              |                                |
|                                  |                             |                                 |                                |                                | 16,483                       |                              |                                |
|                                  |                             |                                 |                                |                                | 92,465                       |                              |                                |
|                                  |                             |                                 |                                |                                |                              |                              |                                |
|                                  |                             |                                 |                                |                                | 16,483                       |                              |                                |
|                                  |                             |                                 |                                |                                | 92,465                       |                              |                                |
|                                  |                             |                                 |                                |                                |                              |                              |                                |
|                                  |                             |                                 |                                |                                | 16,483                       |                              |                                |
|                                  |                             |                                 |                                |                                | 92,465                       |                              |                                |
|                                  |                             |                                 |                                |                                |                              |                              |                                |
|                                  |                             |                                 |                                |                                | 16,483                       |                              |                                |
|                                  |                             |                                 |                                |                                | 92,465                       |                              |                                |
|                                  |                             |                                 |                                |                                |                              |                              |                                |
|                                  |                             |                                 |                                |                                | 16,483                       |                              |                                |
|                                  |                             |                                 |                                |                                | 92,465                       |                              |                                |
|                                  |                             |                                 |                                |                                |                              |                              |                                |
|                                  |                             |                                 |                                |                                | 16,483                       |                              |                                |
|                                  |                             |                                 |                                |                                | 92,465                       |                              |                                |
|                                  |                             |                                 |                                |                                |                              |                              |                                |
|                                  |                             |                                 |                                |                                | 16,483                       |                              |                                |
|                                  |                             |                                 |                                |                                | 92,465                       |                              |                                |
|                                  |                             |                                 |                                |                                |                              |                              |                                |
|                                  |                             |                                 |                                |                                | 16,483                       |                              |                                |
|                                  |                             |                                 |                                |                                | 92,465                       |                              |                                |
|                                  |                             |                                 |                                |                                |                              |                              |                                |
|                                  |                             |                                 |                                |                                | 16,483                       |                              |                                |
|                                  |                             |                                 |                                |                                | 92,465                       |                              |                                |
|                                  |                             |                                 |                                |                                |                              |                              |                                |
|                                  |                             |                                 |                                |                                | 16,483                       |                              |                                |
|                                  |                             |                                 |                                |                                | 92,465                       |                              |                                |
|                                  |                             |                                 |                                |                                |                              |                              |                                |
|                                  |                             |                                 |                                |                                | 16,483                       |                              |                                |
|                                  |                             |                                 |                                |                                | 92,465                       |                              |                                |
|                                  |                             |                                 |                                |                                |                              |                              |                                |
|                                  |                             |                                 |                                |                                | 16,483                       |                              |                                |
|                                  |                             |                                 |                                |                                | 92,465                       |                              |                                |
|                                  |                             |                                 |                                |                                |                              |                              |                                |
|                                  |                             |                                 |                                |                                | 16,483                       |                              |                                |
|                                  |                             |                                 |                                |                                | 92,465                       |                              |                                |
|                                  |                             |                                 |                                |                                |                              |                              |                                |
|                                  |                             |                                 |                                |                                | 16,483                       |                              |                                |
|                                  |                             |                                 |                                |                                | 92,465                       |                              |                                |
|                                  |                             |                                 |                                |                                |                              |                              |                                |
|                                  |                             |                                 |                                |                                | 16,483                       |                              |                                |
|                                  |                             |                                 |                                |                                | 92,465                       |                              |                                |
|                                  |                             |                                 |                                |                                |                              |                              |                                |
|                                  |                             |                                 |                                |                                | 16,483                       |                              |                                |
|                                  |                             |                                 |                                |                                | 92,465                       |                              |                                |
|                                  |                             |                                 |                                |                                |                              |                              |                                |
|                                  |                             |                                 |                                |                                | 16,483                       |                              |                                |
|                                  |                             |                                 |                                |                                | 92,465                       |                              |                                |
|                                  |                             |                                 |                                |                                |                              |                              |                                |
|                                  |                             |                                 |                                |                                | 16,483                       |                              |                                |
|                                  |                             |                                 |                                |                                | 92,465                       |                              |                                |
|                                  |                             |                                 |                                |                                |                              |                              |                                |
|                                  |                             |                                 |                                |                                | 16,483                       |                              |                                |
|                                  |                             |                                 |                                |                                | 92,465                       |                              |                                |
|                                  |                             |                                 |                                |                                |                              |                              |                                |
|                                  |                             |                                 |                                |                                | 16,483                       |                              |                                |
|                                  |                             |                                 |                                |                                | 92,465                       |                              |                                |
|                                  |                             |                                 |                                |                                |                              |                              |                                |
|                                  |                             |                                 |                                |                                | 16,483                       |                              |                                |
|                                  |                             |                                 |                                |                                | 92,465                       |                              |                                |
|                                  |                             |                                 |                                |                                |                              |                              |                                |
|                                  |                             |                                 |                                |                                | 16,483                       |                              |                                |
|                                  |                             |                                 |                                |                                | 92,465                       |                              |                                |
|                                  |                             |                                 |                                |                                |                              |                              |                                |
|                                  |                             |                                 |                                |                                | 16,483                       |                              |                                |
|                                  |                             |                                 |                                |                                | 92,465                       |                              |                                |
|                                  |                             |                                 |                                |                                |                              |                              |                                |
|                                  |                             |                                 |                                |                                | 16,483                       |                              |                                |
|                                  |                             |                                 |                                |                                | 92,465                       |                              |                                |
|                                  |                             |                                 |                                |                                |                              |                              |                                |
|                                  |                             |                                 |                                |                                | 16,483                       |                              |                                |
|                                  |                             |                                 |                                |                                | 92,465                       |                              |                                |
|                                  |                             |                                 |                                |                                |                              |                              |                                |
|                                  |                             |                                 |                                |                                | 16,483                       |                              |                                |
|                                  |                             |                                 |                                |                                | 92,465                       |                              |                                |
|                                  |                             |                                 |                                |                                |                              |                              |                                |
|                                  |                             |                                 |                                |                                | 16,483                       |                              |                                |
|                                  |                             |                                 |                                |                                | 92,465                       |                              |                                |
|                                  |                             |                                 |                                |                                |                              |                              |                                |
|                                  |                             |                                 |                                |                                | 16,483                       |                              |                                |
|                                  |                             |                                 |                                |                                | 92,465                       |                              |                                |
|                                  |                             |                                 |                                |                                |                              |                              |                                |
|                                  |                             |                                 |                                |                                | 16,483                       |                              |                                |
|                                  |                             |                                 |                                |                                | 92,465                       |                              |                                |
|                                  |                             |                                 |                                |                                |                              |                              |                                |
|                                  |                             |                                 |                                |                                | 16,483                       |                              |                                |
|                                  |                             |                                 |                                |                                | 92,465                       |                              |                                |
|                                  |                             |                                 |                                |                                |                              |                              |                                |
|                                  |                             |                                 |                                |                                | 16,483                       |                              |                                |
|                                  |                             |                                 |                                |                                | 92,465                       |                              |                                |
|                                  |                             |                                 |                                |                                |                              |                              |                                |
|                                  |                             |                                 |                                |                                | 16,483                       |                              |                                |
|                                  |                             |                                 |                                |                                | 92,465                       |                              |                                |
|                                  |                             |                                 |                                |                                |                              |                              |                                |
|                                  |                             |                                 |                                |                                | 16,483                       |                              |                                |
|                                  |                             |                                 |                                |                                | 92,465                       |                              |                                |
|                                  |                             |                                 |                                |                                |                              |                              |                                |
|                                  |                             |                                 |                                |                                | 16,483                       |                              |                                |
|                                  |                             |                                 |                                |                                | 92,465                       |                              |                                |
|                                  |                             |                                 |                                |                                |                              |                              |                                |
|                                  |                             |                                 |                                |                                | 16,483                       |                              |                                |
|                                  |                             |                                 |                                |                                | 92,465                       |                              |                                |
|                                  |                             |                                 |                                |                                |                              |                              |                                |
|                                  |                             |                                 |                                |                                | 16,483                       |                              |                                |
|                                  |                             |                                 |                                |                                | 92,465                       |                              |                                |
|                                  |                             |                                 |                                |                                |                              |                              |                                |
|                                  |                             |                                 |                                |                                | 16,483                       |                              |                                |
|                                  |                             |                                 |                                |                                | 92,465                       |                              |                                |
|                                  |                             |                                 |                                |                                |                              |                              |                                |
|                                  |                             |                                 |                                |                                | 16,483                       |                              |                                |
|                                  |                             |                                 |                                |                                | 92,465                       |                              |                                |
|                                  |                             |                                 |                                |                                |                              |                              |                                |
|                                  |                             |                                 |                                |                                | 16,483                       |                              |                                |
|                                  |                             |                                 |                                |                                | 92,465                       |                              |                                |
|                                  |                             |                                 |                                |                                |                              |                              |                                |
|                                  |                             |                                 |                                |                                | 16,483                       |                              |                                |
|                                  |                             |                                 |                                |                                | 92,465                       |                              |                                |
|                                  |                             |                                 |                                |                                |                              |                              |                                |
|                                  |                             |                                 |                                |                                | 16,483                       |                              |                                |
|                                  |                             |                                 |                                |                                | 92,465                       |                              |                                |
|                                  |                             |                                 |                                |                                |                              |                              |                                |
|                                  |                             |                                 |                                |                                | 16,483                       |                              |                                |
|                                  |                             |                                 |                                |                                | 92,465                       |                              |                                |
|                                  |                             |                                 |                                |                                |                              |                              |                                |
|                                  |                             |                                 |                                |                                | 16,483                       |                              |                                |
|                                  |                             |                                 |                                |                                | 92,465                       |                              |                                |
|                                  |                             |                                 |                                |                                |                              |                              |                                |
|                                  |                             |                                 |                                |                                | 16,483                       |                              |                                |
|                                  |                             |                                 |                                |                                | 92,465                       |                              |                                |
|                                  |                             |                                 |                                |                                |                              |                              |                                |
|                                  |                             |                                 |                                |                                | 16,483                       |                              |                                |
|                                  |                             |                                 |                                |                                | 92,465                       |                              |                                |
|                                  |                             |                                 |                                |                                |                              |                              |                                |
|                                  |                             |                                 |                                |                                | 16,483                       |                              |                                |
|                                  |                             |                                 |                                |                                | 92,465                       |                              |                                |
|                                  |                             |                                 |                                |                                |                              |                              |                                |
|                                  |                             |                                 |                                |                                | 16,483                       |                              |                                |
|                                  |                             |                                 |                                |                                | 92,465                       |                              |                                |
|                                  |                             |                                 |                                |                                |                              |                              |                                |
|                                  |                             |                                 |                                |                                | 16,483                       |                              |                                |
|                                  |                             |                                 |                                |                                | 92,465                       |                              |                                |
|                                  |                             |                                 |                                |                                |                              |                              |                                |
|                                  |                             |                                 |                                |                                | 16,483                       |                              |                                |
|                                  |                             |                                 |                                |                                | 92,465                       |                              |                                |
|                                  |                             |                                 |                                |                                |                              |                              |                                |
|                                  |                             |                                 |                                |                                | 16,483                       |                              |                                |
|                                  |                             |                                 |                                |                                | 92,465                       |                              |                                |
|                                  |                             |                                 |                                |                                |                              |                              |                                |
|                                  |                             |                                 |                                |                                | 16,483                       |                              |                                |
|                                  |                             |                                 |                                |                                | 92,465                       |                              |                                |
|                                  |                             |                                 |                                |                                |                              |                              |                                |
|                                  |                             |                                 |                                |                                | 16,483                       |                              |                                |
|                                  |                             |                                 |                                |                                | 92,465                       |                              |                                |
|                                  |                             |                                 |                                |                                |                              |                              |                                |
|                                  |                             |                                 |                                |                                | 16,483                       |                              |                                |
|                                  |                             |                                 |                                |                                | 92,465                       |                              |                                |
|                                  |                             |                                 |                                |                                |                              |                              |                                |
|                                  |                             |                                 |                                |                                | 16,483                       |                              |                                |
|                                  |                             |                                 |                                |                                | 92,465                       |                              |                                |
|                                  |                             |                                 |                                |                                |                              |                              |                                |
|                                  |                             |                                 |                                |                                | 16,483                       |                              |                                |
|                                  |                             |                                 |                                |                                | 92,465                       |                              |                                |
|                                  |                             |                                 |                                |                                |                              |                              |                                |
|                                  |                             |                                 |                                |                                | 16,483                       |                              |                                |
|                                  |                             |                                 |                                |                                | 92,465                       |                              |                                |
|                                  |                             |                                 |                                |                                |                              |                              |                                |
|                                  |                             |                                 |                                |                                | 16,483                       |                              |                                |
|                                  |                             |                                 |                                |                                | 92,465                       |                              |                                |
|                                  |                             |                                 |                                |                                |                              |                              |                                |
|                                  |                             |                                 |                                |                                | 16,483                       |                              |                                |
|                                  |                             |                                 |                                |                                | 92,465                       |                              |                                |
|                                  |                             |                                 |                                |                                |                              |                              |                                |
|                                  |                             |                                 |                                |                                | 16,483                       |                              |                                |
|                                  |                             |                                 |                                |                                | 92,465                       |                              |                                |
|                                  |                             |                                 |                                |                                |                              |                              |                                |
|                                  |                             |                                 |                                |                                | 16,483                       |                              |                                |
|                                  |                             |                                 |                                |                                | 92,465                       |                              |                                |
|                                  |                             |                                 |                                |                                |                              |                              |                                |
|                                  |                             |                                 |                                |                                | 16,483                       |                              |                                |
|                                  |                             |                                 |                                |                                | 92,465                       |                              |                                |
|                                  |                             |                                 |                                |                                |                              |                              |                                |
|                                  |                             |                                 |                                |                                | 16,483                       |                              |                                |
|                                  |                             |                                 |                                |                                | 92,465                       |                              |                                |
|                                  |                             |                                 |                                |                                |                              |                              |                                |
|                                  |                             |                                 |                                |                                | 16,483                       |                              |                                |
|                                  |                             |                                 |                                |                                | 92,465                       |                              |                                |
|                                  |                             |                                 |                                |                                |                              |                              |                                |
|                                  |                             |                                 |                                |                                | 16,483                       |                              |                                |
|                                  |                             |                                 |                                |                                | 92,465                       |                              |                                |
|                                  |                             |                                 |                                |                                |                              |                              |                                |
|                                  |                             |                                 |                                |                                | 16,483                       |                              |                                |
|                                  |                             |                                 |                                |                                | 92,465                       |                              |                                |
|                                  |                             |                                 |                                |                                |                              |                              |                                |
|                                  |                             |                                 |                                |                                | 16,483                       |                              |                                |
|                                  |                             |                                 |                                |                                | 92,465                       |                              |                                |
|                                  |                             |                                 |                                |                                |                              |                              |                                |
|                                  |                             |                                 |                                |                                | 16,483                       |                              |                                |
|                                  |                             |                                 |                                |                                | 92,465                       |                              |                                |
|                                  |                             |                                 |                                |                                |                              |                              |                                |
|                                  |                             |                                 |                                |                                | 16,483                       |                              |                                |
|                                  |                             |                                 |                                |                                | 92,465                       |                              |                                |
|                                  |                             |                                 |                                |                                |                              |                              |                                |
|                                  |                             |                                 |                                |                                | 16,483                       |                              |                                |
|                                  |                             |                                 |                                |                                | 92,465                       |                              |                                |
|                                  |                             |                                 |                                |                                |                              |                              |                                |
|                                  |                             |                                 |                                |                                | 16,483                       |                              |                                |
|                                  |                             |                                 |                                |                                | 92,465                       |                              |                                |
|                                  |                             |                                 |                                |                                |                              |                              |                                |
|                                  |                             |                                 |                                |                                | 16,483                       |                              |                                |
|                                  |                             |                                 |                                |                                | 92,465                       |                              |                                |
|                                  |                             |                                 |                                |                                |                              |                              |                                |
|                                  |                             |                                 |                                |                                | 16,483                       |                              |                                |
|                                  |                             |                                 |                                |                                | 92,465                       |                              |                                |
|                                  |                             |                                 |                                |                                |                              |                              |                                |
|                                  |                             |                                 |                                |                                | 16,483                       |                              |                                |
|                                  |                             |                                 |                                |                                | 92,465                       |                              |                                |
|                                  |                             |                                 |                                |                                |                              |                              |                                |
|                                  |                             |                                 |                                |                                | 16,483                       |                              |                                |
|                                  |                             |                                 |                                |                                | 92,465                       |                              |                                |
|                                  |                             |                                 |                                |                                |                              |                              |                                |
|                                  |                             |                                 |                                |                                | 16,483                       |                              |                                |
|                                  |                             |                                 |                                |                                | 92,465                       |                              |                                |
|                                  |                             |                                 |                                |                                |                              |                              |                                |
|                                  |                             |                                 |                                |                                | 16,483                       |                              |                                |
|                                  |                             |                                 |                                | </td                           |                              |                              |                                |

**Coram Healthcare**  
**Appendix 3**  
**Comparable Market Analysis - Calculation of Multiples**

|                                 | Charin 7/00<br>July 31, 2000 | Charin 12/00<br>December 4, 2000 | UBS 12/00<br>December 11, 2000 | D&T 12/00<br>December 14, 2000 | Goldin 12/00<br>July 31, 2000 | Goldin 12/01<br>December 14, 2000 | Goldin 6/01<br>June 15, 2001 | Goldin 6/01<br>August 31, 2001 |
|---------------------------------|------------------------------|----------------------------------|--------------------------------|--------------------------------|-------------------------------|-----------------------------------|------------------------------|--------------------------------|
| <b>Pediatric Services, Inc.</b> |                              |                                  |                                |                                |                               |                                   |                              |                                |
| Revenue                         | 161,568                      |                                  |                                |                                |                               |                                   |                              |                                |
| EBITDA                          | 9,368                        |                                  |                                |                                |                               |                                   |                              |                                |
| Market capitalization           |                              |                                  |                                |                                |                               |                                   |                              |                                |
| Debt                            | 29,952                       |                                  |                                |                                |                               |                                   |                              |                                |
| Enterprise value                | 24,503                       |                                  |                                |                                |                               |                                   |                              |                                |
| Equity percent                  | 55%                          |                                  |                                |                                |                               |                                   |                              |                                |
| Debt percent                    | 45%                          |                                  |                                |                                |                               |                                   |                              |                                |
| Multiple                        |                              |                                  |                                |                                |                               |                                   |                              |                                |
| EV/Revenue                      | 0.30                         |                                  |                                |                                |                               |                                   |                              |                                |
| EV/EBITDA                       | 5.61                         |                                  |                                |                                |                               |                                   |                              |                                |
| <b>US Oncology, Inc.</b>        |                              |                                  |                                |                                |                               |                                   |                              |                                |
| Revenue                         | 1,267,844                    |                                  |                                |                                |                               |                                   |                              |                                |
| EBITDA                          | 176,006                      |                                  |                                |                                |                               |                                   |                              |                                |
| Market capitalization           |                              |                                  |                                |                                |                               |                                   |                              |                                |
| Debt                            | 493,421                      |                                  |                                |                                |                               |                                   |                              |                                |
| Enterprise value                | 305,167                      |                                  |                                |                                |                               |                                   |                              |                                |
| Equity percent                  | 82%                          |                                  |                                |                                |                               |                                   |                              |                                |
| Debt percent                    | 38%                          |                                  |                                |                                |                               |                                   |                              |                                |
| Multiple                        |                              |                                  |                                |                                |                               |                                   |                              |                                |
| EV/Revenue                      | 0.63                         |                                  |                                |                                |                               |                                   |                              |                                |
| EV/EBITDA                       | 4.54                         |                                  |                                |                                |                               |                                   |                              |                                |

**Calculation of Multiples:**  
**EV/Revenue**  
**EV/EBITDA**  
**EV/EBITDA less Capital expenditures**

|      |      |      |      |
|------|------|------|------|
| 0.78 | 0.83 | 0.51 | 0.89 |
| 5.71 | 7.70 | 5.50 | 8.59 |
| 7.41 | 7.43 |      | 8.73 |

*(GA derived its multiple by "weighting the individual comparable according to their relative percentage of infusion revenue.)*

**Coram Healthcare**  
**Appendix 4.**  
**Comparable Market Analysis - Application of Multiples - Valuation**

|   | Chairman 7/00<br>July 31, 2000 | Chairman 12/00<br>December 4, 2000 | UBS 12/00 (1)<br>December 11, 2000 | D&T 12/00 (2)<br>December 14, 2000 | Goldfin 7/00 (3)<br>July 31, 2000 | Goldfin 12/00 (3)<br>December 14, 2000 | Goldfin 6/01<br>June 15, 2001 | Goldfin 6/01<br>August 31, 2001 |
|---|--------------------------------|------------------------------------|------------------------------------|------------------------------------|-----------------------------------|--|-------------------------------|---------------------------------|
| Coram Revenue   |                                |                                    |                                    |                                    |                                   |  |                               |                                 |
| Coram EBITDA  | 446,755                        | 401,119                            | 401,749                            | 446,755                            | 401,119                           | 401,000                                | 401,000                       | 401,000                         |
| Coram EBITDA less Capital expenditures                        | 33,559                         | 27,193                             | 33,581                             | 45,899                             | 39,293                            | 28,746                                 | 28,436                        | 28,436                          |
| EV/Revenue multiple   | 1                              | 1.73                               | 1.09                               | 0.83                               | 0.51                              | 0.54                                   | 0.58                          | 0.54                            |
| EV/EBITDA multiple  |                                | 5.71                               | 6.51                               | 7.70                               | 5.50                              | 6.56                                   | 6.69                          | 6.73                            |
| EV/EBITDA less Capital expenditures multiple                  |                                | 7.41                               | 7.43                               |                                    |                                   |  |                               |                                 |
| Valuation: Revenue by EV/Revenue multiple                     |                                | 346,469                            | 437,220                            | 346,304                            | 227,116                           | 255,604                                | 398,342                       | 375,242                         |
| Valuation: EBITDA by EV/EBITDA multiple                       |                                | 191,703                            | 177,026                            | 267,287                            | 251,444                           | 257,840                                | 255,555                       | 246,225                         |
| Valuation: EBITDA less Capex by EV/EBITDA less Capex multiple |                                | 181,011                            | 172,324                            |                                    |                                   |  |                               |                                 |

(1) UBS Warburg calculated values varying "normalized" MIP from 4 - 8 million and the EV/EBITDA multiple from 5 - 7 times. The range of values resulting was 157,907 to 249,069.

(2) D&T added 12,852 of excess cash in their valuation calculation.

(3) Goldfin normalized MIP at 5.5% of branch operating income.

**Coram Healthcare**  
**Appendix 5**  
**Comparable Transaction Analysis - Selection of Comparables**

|  | Transaction Date | Chanin 7/00<br>July 31, 2000 | Chanin 12/00<br>December 4, 2000 | UBS 12/00<br>December 11, 2000 | DT&T 12/00<br>December 14, 2000 | Goldfin 7/00<br>July 31, 2000 | Goldfin 12/00<br>December 14, 2000 | Goldfin 6/01<br>June 15, 2001 | Goldfin 6/01<br>August 31, 2001 |
|--|------------------|------------------------------|----------------------------------|--------------------------------|---------------------------------|-------------------------------|------------------------------------|-------------------------------|---------------------------------|
| <b>Target by Acquirer</b>                      |                  |                              |                                  |                                |                                 |                               |                                    |                               |                                 |
| American Disease Management by MIM Corporation | 9/7/2000         |                              |                                  |                                |                                 |                               |                                    |                               |                                 |
| Community Care by Landauer Hospital            | 12/20/1999       |                              |                                  |                                |                                 |                               |                                    |                               |                                 |
| EMSA Government Service by America Service     | 1/27/1999        | X                            | X                                |                                |                                 |                               |                                    |                               |                                 |
| HomeMed by Abbot Healthcare (reated April)     | 3/21/1995        |                              |                                  |                                |                                 |                               |                                    |                               |                                 |
| Housecall Medical by Sunbelt Home              | 8/4/1998         |                              |                                  |                                |                                 |                               |                                    |                               |                                 |
| Infusion Solutions by Amadisys                 | 2/1/1998         |                              |                                  |                                |                                 |                               |                                    |                               |                                 |
| In Home Health by Manor Care                   | 9/13/2000        |                              |                                  |                                |                                 |                               |                                    |                               |                                 |
| RoTech Medical by Integrated Health Services   | 7/7/1997         |                              |                                  |                                |                                 |                               |                                    |                               |                                 |
| United Medical by Unicare Holdings             | 6/28/2000        |                              |                                  |                                |                                 |                               |                                    |                               |                                 |
| Interwest Home Medical by Praxair              | 3/15/2001        |                              |                                  |                                |                                 |                               |                                    |                               |                                 |

**Coram Healthcare**  
**Appendix 6**  
**Comparable Transaction Analysis - Calculation of Multiples**

|  | Charlin 7/00<br>July 31, 2000 | Charlin 12/00<br>December 4, 2000 | UBS 12/00<br>December 11, 2000 | D&T 12/00<br>December 14, 2000 | Goldin 7/00<br>July 31, 2000 | Goldin 12/00<br>December 14, 2000 | Goldin 6/01<br>June 15, 2001 | Goldin 6/01<br>June 15, 2001 | Goldin 8/01<br>August 31, 2001 |
|--|-------------------------------|-----------------------------------|--------------------------------|--------------------------------|------------------------------|-----------------------------------|------------------------------|------------------------------|--------------------------------|
| <b>Tunnel by Acquirer</b>                      |                               |                                   |                                |                                |                              |                                   |                              |                              |                                |
| American Disease Management by MIM Corporation | 1.51<br>5.00                  |                                   |                                |                                | 1.51<br>5.00                 | 1.51<br>5.00                      |                              |                              | 1.51<br>5.00                   |
| EV/Revenue                                     |                               |                                   |                                |                                |                              |                                   |                              |                              |                                |
| EV/EBITDA                                      |                               |                                   |                                |                                |                              |                                   |                              |                              |                                |
| Community Care by Landauer Hospital            |                               |                                   |                                |                                | 0.74<br>6.10                 | 0.74<br>6.10                      | 0.74<br>6.10                 | 0.74<br>6.10                 | 0.74<br>6.10                   |
| EV/Revenue                                     |                               |                                   |                                |                                |                              |                                   |                              |                              |                                |
| EV/EBITDA                                      |                               |                                   |                                |                                |                              |                                   |                              |                              |                                |
| EMSA Government Services by America Services   | 0.50                          | 0.50                              |                                |                                |                              |                                   |                              |                              |                                |
| EV/Revenue                                     |                               |                                   |                                |                                |                              |                                   |                              |                              |                                |
| EV/EBITDA                                      |                               |                                   |                                |                                |                              |                                   |                              |                              |                                |
| Homedco by Abrey Healthcare                    |                               |                                   | 0.90                           |                                |                              |                                   |                              |                              |                                |
| EV/Revenue                                     |                               |                                   |                                |                                |                              |                                   |                              |                              |                                |
| EV/EBITDA                                      |                               |                                   |                                |                                |                              |                                   |                              |                              |                                |
| Houscall Medical by Sunbelt Home               | 0.26<br>13.06                 | 0.26<br>13.06                     | 0.26<br>13.06                  | 0.26<br>14.09                  | 0.28<br>13.06                | 0.28<br>13.06                     | 0.28<br>13.06                | 0.28<br>13.06                | 0.28<br>13.06                  |
| EV/Revenue                                     |                               |                                   |                                |                                |                              |                                   |                              |                              |                                |
| EV/EBITDA                                      |                               |                                   |                                |                                |                              |                                   |                              |                              |                                |
| Infusion Solutions by Amedsys                  |                               |                                   |                                |                                | 1.02                         | 1.02                              | 1.02                         | 1.02                         | 1.02                           |
| EV/Revenue                                     |                               |                                   |                                |                                |                              |                                   |                              |                              |                                |
| EV/EBITDA                                      |                               |                                   |                                |                                |                              |                                   |                              |                              |                                |
| In Home Health by Manor Care                   | 0.41<br>6.88                  | 0.41<br>6.88                      | 0.41<br>6.88                   | 0.41<br>6.88                   | 5.10                         |                                   |                              |                              |                                |
| EV/Revenue                                     |                               |                                   |                                |                                |                              |                                   |                              |                              |                                |
| EV/EBITDA                                      |                               |                                   |                                |                                |                              |                                   |                              |                              |                                |
| Pro Tech Medical by Integrated Health Services |                               |                                   | 8.20                           |                                |                              |                                   | 7.7                          |                              |                                |
| EV/Revenue                                     |                               |                                   |                                |                                |                              |                                   |                              |                              |                                |
| EV/EBITDA                                      |                               |                                   |                                |                                |                              |                                   |                              |                              |                                |
| United Medical by Lincare Holdings             |                               |                                   |                                | 2.02                           | 2.02                         | 2.02                              | 2.02                         | 2.02                         | 2.02                           |
| EV/Revenue                                     |                               |                                   |                                |                                |                              |                                   |                              |                              |                                |
| EV/EBITDA                                      |                               |                                   |                                |                                |                              |                                   |                              |                              |                                |
| Interwest Home Medical by Praxair              |                               |                                   |                                |                                |                              |                                   |                              | 1.40<br>3.90                 | 1.40<br>3.90                   |
| EV/Revenue                                     |                               |                                   |                                |                                |                              |                                   |                              |                              |                                |
| EV/EBITDA                                      |                               |                                   |                                |                                |                              |                                   |                              |                              |                                |
| Interwest Home Medical Multiple                | 0.41<br>9.97                  | 0.45<br>6.88                      | 0.45<br>6.88                   | 0.74<br>6.50                   | 1.02<br>6.10                 | 1.02<br>6.10                      | 1.21<br>5.55                 | 1.21<br>5.55                 | 1.21<br>5.55                   |
| EV/EBITDA Multiple                             |                               |                                   |                                |                                |                              |                                   |                              |                              |                                |

(GA derived its multiple by taking the median of its comps.)

**Coram Healthcare**  
**Appendix 7**  
**Comparable Transaction Analysis - Application of Multiples**

|   | Chanin 7/00<br>July 31, 2000 | Chanin 12/00<br>December 4, 2000 | UBS 12/00 (1)<br>December 11, 2000 | DAT 12/00 (2)<br>December 14, 2000 | Goldin 7/00 (3)<br>July 31, 2000 | Goldin 12/00 (3)<br>December 14, 2000 | Goldin 6/01<br>June 15, 2001 | Goldin 8/01<br>August 31, 2001 |
|---|------------------------------|----------------------------------|------------------------------------|------------------------------------|----------------------------------|---------------------------------------|------------------------------|--------------------------------|
| Coram Revenue                             | 446,755                      | 401,119                          | 33,581                             | 401,749                            | 446,755                          | 401,119                               | 401,000                      | 401,000                        |
| Coram EBITDA                              | 33,589                       | 27,183                           |                                    | 35,641                             | 45,688                           | 39,283                                | 26,746                       | 28,438                         |
| EV/Revenue Multiple                       | 1.31                         | 1.31                             | 1.31                               | 1.31                               | 1.31                             | 1.31                                  | 1.31                         | 1.31                           |
| EV/EBITDA Multiple                        | 12.52                        | 12.52                            | 12.52                              | 12.52                              | 12.52                            | 12.52                                 | 12.52                        | 12.52                          |
| Valuation: Revenue by EV/Revenue multiple | 560,000                      | 534,000                          | 446,000                            | 446,000                            | 446,000                          | 401,000                               | 401,000                      | 401,000                        |
| Valuation: EBITDA by EV/EBITDA multiple   | 417,000                      | 387,000                          | 334,000                            | 334,000                            | 334,000                          | 269,000                               | 269,000                      | 269,000                        |

(1) UBS Warburg calculated values varying "normalized" MLP from 4 - 8 million and the EV/EBITDA multiple from 5.5 - 7.6 times. The range of values resulting was \$173,697 to \$388,850.

(2) DAT bid \$12,552 of excess cash in their valuation calculation.

(3) Goldin normalized MLP at 5.5% of branch operating income.

**Coram Healthcare**  
**Appendix 8**  
**Projection**

|   | Restated       | 2000            | Estimated      | 2002           | 2003           | Projected      | 2004           | 2005           |
|---|----------------|-----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| <b>Gross revenue</b>                    | <b>1998</b>    | <b>1,999</b>    | <b>2,000</b>   | <b>2,001</b>   | <b>2,002</b>   | <b>2,003</b>   | <b>2,004</b>   | <b>2,005</b>   |
|   | 1,122,911      | 1,227,531       | 1,102,972      | 1,030,513      | 1,082,068      | 1,109,742      | 1,142,318      | 1,182,727      |
|   | 726,242        | 794,706         | 702,371        | 629,513        | 661,007        | 677,912        | 697,812        | 722,497        |
| <b>less: contractual allowance</b>      |                |                 |                |                |                |                |                |                |
| <b>Net revenue</b>                      | <b>231,453</b> | <b>259,754</b>  | <b>263,092</b> | <b>270,983</b> | <b>291,044</b> | <b>301,812</b> | <b>314,489</b> | <b>330,213</b> |
| <b>Core therapies</b>                   | <b>165,216</b> | <b>173,070</b>  | <b>137,509</b> | <b>130,017</b> | <b>130,017</b> | <b>130,017</b> | <b>130,017</b> | <b>130,017</b> |
| <b>Non-core therapies and all other</b> | <b>396,569</b> | <b>432,824</b>  | <b>400,601</b> | <b>401,000</b> | <b>421,061</b> | <b>431,830</b> | <b>444,506</b> | <b>460,230</b> |
| <b>Total net revenue</b>                |                |                 |                |                |                |                |                |                |
| <b>Growth rate</b>                      |                |                 |                |                |                |                |                |                |
| <b>Cost of drugs and supplies</b>       | <b>68,747</b>  | <b>96,995</b>   | <b>97,084</b>  | <b>99,395</b>  | <b>103,847</b> | <b>105,924</b> | <b>108,043</b> | <b>110,204</b> |
| <b>Core therapies</b>                   | <b>60,126</b>  | <b>88,677</b>   | <b>65,729</b>  | <b>63,411</b>  | <b>65,314</b>  | <b>66,620</b>  | <b>67,982</b>  | <b>69,311</b>  |
| <b>Non-core therapies and all other</b> | <b>148,873</b> | <b>185,872</b>  | <b>162,813</b> | <b>162,806</b> | <b>169,161</b> | <b>172,544</b> | <b>175,985</b> | <b>179,515</b> |
| <b>Total cost of drugs and supplies</b> |                |                 |                |                |                |                |                |                |
| <b>Percent of net revenue</b>           | <b>37.5%</b>   | <b>42.9%</b>    | <b>40.6%</b>   | <b>40.6%</b>   | <b>40.2%</b>   | <b>40.0%</b>   | <b>39.6%</b>   | <b>39.0%</b>   |
| <b>Standard margin</b>                  |                |                 |                |                |                |                |                |                |
| <b>Percent of net revenue</b>           | <b>247,796</b> | <b>247,152</b>  | <b>237,768</b> | <b>238,194</b> | <b>251,900</b> | <b>259,285</b> | <b>268,511</b> | <b>280,715</b> |
|   | <b>62.5%</b>   | <b>57.1%</b>    | <b>59.4%</b>   | <b>59.4%</b>   | <b>59.8%</b>   | <b>60.0%</b>   | <b>60.4%</b>   | <b>61.0%</b>   |
| <b>Clinical services expense</b>        |                |                 |                |                |                |                |                |                |
| <b>Salaries and general</b>             | <b>121,527</b> | <b>139,089</b>  | <b>118,629</b> | <b>119,442</b> | <b>121,031</b> | <b>124,267</b> | <b>126,753</b> | <b>129,288</b> |
| <b>Depreciation and amortization</b>    | <b>6,052</b>   | <b>5,359</b>    | <b>5,170</b>   | <b>5,570</b>   | <b>5,670</b>   | <b>5,670</b>   | <b>5,670</b>   | <b>5,670</b>   |
| <b>Gross margin</b>                     |                |                 |                |                |                |                |                |                |
| <b>Percent of net revenue</b>           | <b>114,117</b> | <b>103,704</b>  | <b>113,989</b> | <b>113,082</b> | <b>124,399</b> | <b>129,348</b> | <b>136,088</b> | <b>145,757</b> |
|   | <b>28.8%</b>   | <b>24.0%</b>    | <b>28.5%</b>   | <b>28.2%</b>   | <b>29.5%</b>   | <b>30.0%</b>   | <b>30.6%</b>   | <b>31.7%</b>   |
| <b>Branch expenditures</b>              |                |                 |                |                |                |                |                |                |
| <b>Salaries and general</b>             | <b>42,412</b>  | <b>45,262</b>   | <b>40,708</b>  | <b>44,044</b>  | <b>44,925</b>  | <b>45,823</b>  | <b>46,740</b>  | <b>47,675</b>  |
| <b>Provision for uncollectibles</b>     | <b>14,485</b>  | <b>28,927</b>   | <b>6,991</b>   | <b>12,832</b>  | <b>13,474</b>  | <b>13,819</b>  | <b>14,224</b>  | <b>14,727</b>  |
| <b>Depreciation and amortization</b>    | <b>2,684</b>   | <b>2,477</b>    | <b>2,091</b>   | <b>2,116</b>   | <b>2,116</b>   | <b>2,116</b>   | <b>2,116</b>   | <b>2,116</b>   |
| <b>Branch margin</b>                    |                |                 |                |                |                |                |                |                |
| <b>Percent of net revenue</b>           | <b>54,533</b>  | <b>28,038</b>   | <b>62,199</b>  | <b>54,090</b>  | <b>63,684</b>  | <b>67,590</b>  | <b>73,008</b>  | <b>81,239</b>  |
|   | <b>13.7%</b>   | <b>6.7%</b>     | <b>15.5%</b>   | <b>13.5%</b>   | <b>15.2%</b>   | <b>15.7%</b>   | <b>16.4%</b>   | <b>17.7%</b>   |
| <b>Corporate expenditures</b>           |                |                 |                |                |                |                |                |                |
| <b>Salaries and general</b>             | <b>36,599</b>  | <b>35,791</b>   | <b>24,972</b>  | <b>31,087</b>  | <b>31,709</b>  | <b>32,343</b>  | <b>32,980</b>  | <b>33,650</b>  |
| <b>Management Incentive plan</b>        | <b>13,373</b>  | <b>13,187</b>   | <b>13,630</b>  | <b>2,975</b>   | <b>3,514</b>   | <b>5,717</b>   | <b>4,015</b>   | <b>4,465</b>   |
| <b>Depreciation and amortization</b>    |                |                 |                |                |                |                |                |                |
| <b>EBIT</b>                             |                |                 |                |                |                |                |                |                |
| <b>Percent of net revenue</b>           | <b>4,561</b>   | <b>(19,940)</b> | <b>10,880</b>  | <b>7,484</b>   | <b>14,445</b>  | <b>14,330</b>  | <b>15,820</b>  | <b>19,957</b>  |
|   | <b>7.1%</b>    | <b>-4.6%</b>    | <b>2.7%</b>    | <b>1.9%</b>    | <b>3.4%</b>    | <b>3.3%</b>    | <b>3.6%</b>    | <b>4.3%</b>    |
| <b>EBITDA</b>                           |                |                 |                |                |                |                |                |                |
| <b>Percent of net revenue</b>           | <b>26,670</b>  | <b>1,083</b>    | <b>30,858</b>  | <b>27,814</b>  | <b>36,448</b>  | <b>39,316</b>  | <b>43,789</b>  | <b>50,908</b>  |
|   | <b>6.7%</b>    | <b>0.3%</b>     | <b>7.7%</b>    | <b>6.9%</b>    | <b>8.7%</b>    | <b>9.1%</b>    | <b>9.9%</b>    | <b>11.1%</b>   |

**Coram Healthcare**  
**Appendix 9**  
**Weighted Average Cost of Capital**

|                         | Chamlin 7/00<br>July 31, 2000 | Chamlin 12/00<br>December 4, 2000 | UBS 12/00<br>December 11, 2000 | B&T 12/00<br>December 14, 2000 | Goldfin 7/00<br>July 31, 2000 | Goldfin 12/00<br>December 14, 2000 | Goldfin 6/01<br>June 15, 2001 | Goldfin 6/01<br>August 31, 2001 |
|-------------------------|-------------------------------|-----------------------------------|--------------------------------|--------------------------------|-------------------------------|------------------------------------|-------------------------------|---------------------------------|
| Pretax cost of debt (a) |                               |                                   |                                |                                |                               |                                    |                               |                                 |
| Assumed tax rate        | 8.6%                          | 8.6%                              | 11.5%                          | 8.9%                           | 10.5%                         | 9.5%                               | 7.8%                          | 7.3%                            |
| After tax cost of debt  | 4.0%                          | 4.0%                              | 4.0%                           | 4.0%                           | 4.0%                          | 4.0%                               | 4.0%                          | 4.0%                            |
| Cost of equity          |                               |                                   |                                |                                |                               |                                    |                               |                                 |
| Risk free rate (b)      | 6.3%                          | 5.7%                              | 5.6%                           | 5.3%                           | 5.3%                          | 6.0%                               | 5.9%                          | 5.5%                            |
| Beta (c)                | 1.40                          | 1.00                              | 1.05                           | 1.40                           | 1.15                          | 1.15                               | 1.15                          | 1.15                            |
| Equity risk premium (d) | 8.1%                          | 12.7%                             | 8.1%                           | 8.1%                           | 8.1%                          | 8.1%                               | 8.1%                          | 8.1%                            |
| Company specific risk   |                               |                                   |                                |                                |                               |                                    |                               |                                 |
| Size risk premium (e)   | 2.2%                          | 2.2%                              | 2.0%                           | 2.2%                           | 2.2%                          | 2.2%                               | 2.2%                          | 2.2%                            |
| Turnaround premium      | 6.0%                          | 6.0%                              | 2.2%                           | 6.0%                           | 5.0%                          | 4.0%                               | 4.0%                          | 4.0%                            |
| Cost of equity          |                               |                                   |                                |                                |                               |                                    |                               |                                 |
| 25.8%                   | 18.4%                         | 18.3%                             | 25.8%                          | 25.8%                          | 22.5%                         | 21.4%                              | 21.0%                         | 21.0%                           |
| Debt percent            | 27.3%                         | 38.3%                             | 20.1%                          | 20.0%                          | 20.0%                         | 20.0%                              | 20.0%                         | 20.0%                           |
| Equity percent          | 72.7%                         | 61.7%                             | 79.9%                          | 80.0%                          | 80.0%                         | 80.0%                              | 80.0%                         | 80.0%                           |
| WACC                    | 20.2%                         | 21.6%                             | 14.0%                          | 15.7%                          | 19.1%                         | 18.1%                              | 17.7%                         | 17.7%                           |

Footnotes:

- (a) LIBOR plus 350 basis points (Goldfin)
- (b) 20-year Treasury yield
- (c) Ibbotson Associates (Chamlin); the average of the Advisors (Goldfin)
- (d) Ibbotson Associates
- (e) Ibbotson Associates

Coram Healthcare  
Appendix 10  
Discounted Cashflow Analysis

|   | 2001           | 2002   | 2003   | 2004    |
|---|----------------|--------|--------|---------|
| <b>Charin 7/00*</b>                                   |                |        |        |         |
| EBIT  | 19,557         | 26,851 | 32,616 | 33,281  |
| Non-deductible amortization                           | 7,600          | 7,800  | 7,600  | 7,600   |
| EBITA   | 27,157         | 34,451 | 40,216 | 40,881  |
| Taxes @ 40%   | 10,863         | 13,780 | 16,056 | 16,352  |
| Operating profit after taxes                          | 16,294         | 20,871 | 24,130 | 24,529  |
| Deductible depreciation and amortization              | 17,558         | 16,443 | 11,688 | 12,098  |
| Capital expenditures                                  | 11,098         | 8,529  | 8,709  | 8,896   |
| Change in working capital                             | 24,715         | 7,163  | 3,030  | 1,781   |
| Free Cash Flow  | (1,961)        | 21,422 | 24,039 | 25,950  |
| Weighted average cost of capital                      | 20.2%          | 20.2%  | 20.2%  | 20.2%   |
| Discounted free cash flow @ WACC, mid-year convention | (1,788)        | 16,255 | 15,207 | 13,629  |
| Terminal value @ EBITDA - Cap ex multiple             |                |        |        | 325,714 |
| PV factor at end of year                              |                |        |        | 0.48    |
| PV of terminal value (end of year)                    |                |        |        | 156,513 |
| Total cash flows                                      | (1,788)        | 16,255 | 15,207 | 170,442 |
| Sum of cash flows                                     | <b>200,000</b> |        |        |         |
| <b>GA revision to Charin 7/00*</b>                    |                |        |        |         |
| EBIT  | 19,583         | 26,982 | 32,872 | 33,737  |
| Non-deductible amortization                           | 7,600          | 7,600  | 7,600  | 7,600   |
| EBITA   | 27,183         | 34,582 | 40,472 | 41,337  |
| Taxes @ 40%   | 10,873         | 13,833 | 16,189 | 15,535  |
| Operating profit after taxes                          | 16,310         | 20,749 | 24,283 | 24,802  |
| Deductible depreciation and amortization              | 17,558         | 16,443 | 11,698 | 12,098  |
| Capital expenditures                                  | 11,098         | 8,529  | 8,709  | 8,896   |
| Change in working capital                             | 24,715         | 7,163  | 3,030  | 1,781   |
| Free Cash Flow  | (1,965)        | 21,500 | 24,242 | 26,223  |
| Weighted average cost of capital                      | 21.9%          | 21.9%  | 21.9%  | 21.9%   |
| Discounted free cash flow @ WACC, mid-year convention | (1,782)        | 15,975 | 14,776 | 13,112  |
| Terminal value @ EBITDA multiple                      |                |        |        | 310,016 |
| PV factor at end of year                              |                |        |        | 0.45    |
| PV of terminal value (end of year)                    |                |        |        | 140,400 |
| Total cash flows                                      | (1,782)        | 15,975 | 14,776 | 153,513 |
| Sum of cash flows                                     | <b>182,502</b> |        |        |         |

\*These calculate Coram's enterprise value as of the end of 2000. Goldin determined that adjusting its calculation to 7/31/00, after taking into account estimated free cash flow for the balance of 2000, would not make a material difference.

**Coram Health**  
**Appendix 10**  
**Discounted Cashflow Analysis**

|   | 2001           | 2002   | 2003    | 2004    |
|---|----------------|--------|---------|---------|
| <b>Chasin 12/00</b>                                   |                |        |         |         |
| EBIT  | 25,540         | 29,162 | 28,492  | 29,019  |
| Non-deductible amortization                           | 6,536          | 6,535  | 6,535   | 6,536   |
| Net operating losses                                  | 2,000          | 2,000  | 2,000   | 2,000   |
| EBITA   | 30,085         | 33,698 | 33,928  | 33,555  |
| Taxes @ 40%   | 12,034         | 13,479 | 13,211  | 13,422  |
| Operating profit after taxes                          | 18,051         | 20,219 | 19,817  | 20,133  |
| Net operating loss addback                            | 2,000          | 2,000  | 2,000   | 2,000   |
| Deductible depreciation and amortization              | 4,226          | 6,346  | 7,706   | 8,406   |
| Capital expenditures                                  | 11,100         | 10,100 | 3,590   | 3,500   |
| Change in working capital                             | 4,004          | 9,173  | 4,144   | 2,755   |
| Free Cash Flow  |                | 14,321 | 23,433  | 24,284  |
| Weighted average cost of capital                      |                | 21.8%  | 21.8%   | 21.8%   |
| Discounted free cash flow @ WACC, mid-year convention | 3,628          | 10,654 | 14,312  | 12,177  |
| Terminal value @ EBITDA - Cap ex multiple             |                |        | 298,202 | 298,202 |
| PV factor at end of year                              |                |        | 0.45    | 0.45    |
| PV of terminal value (end of year)                    |                |        | 135,494 | 135,494 |
| Total cash flows                                      | 3,628          | 10,654 | 14,312  | 147,672 |
| <b>Sum of cash flows</b>                              | <b>176,486</b> |        |         |         |
| <b>GA revision to Chasin 12/00</b>                    |                |        |         |         |
| EBIT  | 25,583         | 29,305 | 28,715  | 29,417  |
| Non-deductible amortization                           | 6,535          | 6,535  | 6,535   | 6,536   |
| Net operating losses                                  | 2,000          | 2,000  | 2,000   | 2,000   |
| EBITA   | 30,119         | 33,841 | 33,251  | 33,953  |
| Taxes @ 40%   | 12,046         | 13,636 | 13,300  | 13,581  |
| Operating profit after taxes                          | 18,071         | 20,304 | 19,951  | 20,372  |
| Net operating loss addback                            | 2,000          | 2,000  | 2,000   | 2,000   |
| Deductible depreciation and amortization              | 4,226          | 6,346  | 7,706   | 8,406   |
| Capital expenditures                                  | 11,100         | 10,100 | 3,500   | 3,500   |
| Change in working capital                             | 9,173          | 4,144  | 2,755   | 2,755   |
| Free Cash Flow  | 4,024          | 14,406 | 23,587  | 24,523  |
| Weighted average cost of capital                      |                | 19.1%  | 19.1%   | 19.1%   |
| Discounted free cash flow @ WACC, mid-year convention | 3,668          | 11,084 | 15,224  | 13,301  |
| Terminal value @ EBITDA multiple                      |                |        | 280,893 | 280,893 |
| PV factor at end of year                              |                |        | 0.50    | 0.50    |
| PV of terminal value (end of year)                    |                |        | 139,603 | 139,603 |
| Total cash flows                                      | 3,668          | 11,084 | 15,224  | 152,903 |
| <b>Sum of cash flows</b>                              | <b>182,659</b> |        |         |         |

**Coram Healthcare**  
**Appendix 10**  
**Discounted Cashflow Analysis**

|                                       | 2001     | 2002    | 2003    | 2004    |
|---------------------------------------|----------|---------|---------|---------|
| <u>UBS 12/00</u>                      | 428,543  | 437,556 | 446,875 | 456,506 |
| Sales                                 |          |         |         |         |
| EBITA before MIP                      | 42,404   | 46,219  | 45,558  | 44,908  |
| Taxes @ 40%                           | 16,962   | 18,486  | 18,223  | 17,963  |
| NOPAT                                 | 25,442   | 27,731  | 27,335  | 26,945  |
| Depreciation                          | 4,226    | 6,189   | 7,913   | 9,673   |
| Capital expenditures                  | (11,098) | (8,529) | (8,709) | (8,896) |
| Increase in debt free working capital | (15,687) | (4,486) | (2,945) | (3,047) |
| Payments on disputed income taxes     | (2,088)  | (2,088) | (2,088) | (2,088) |
| Estimated free cash flow before MIP   | 795      | 18,817  | 21,506  | 22,587  |
| Terminal EBITDA before MIP            |          |         |         | 54,581  |
| Enterprise value                      |          |         |         |         |
| <u>D&amp;T 12/00</u>                  |          |         |         |         |
| Revenue                               | 421,836  | 442,928 | 465,075 | 488,328 |
| EBITDA                                | 37,098   | 45,071  | 48,143  | 51,880  |
| Free cash flow (FCF)                  | 3,754    | 16,485  | 26,718  | 29,217  |
| Net present value of FCF              | 3,490    | 13,241  | 18,543  | 17,522  |
| Terminal value                        |          |         |         | 401,808 |
| Net present value of total cash flows | 3,490    | 13,241  | 18,543  | 17,522  |
| Enterprise Value                      |          |         |         | 223,999 |
|                                       |          |         |         | 276,785 |

(UBS assumed a range of discount rates from 14% to 18% and varying MIP levels from 4 to 6 million. These assumptions produced a range of enterprise values from 168,194 to 214,630)

Coram Healthcare  
 Appendix 10  
 Discounted Cashflow Analysis - Goldin as of June 15, 2001

|  | Restated |          | Estimated<br>2001 | Projected |        |        |        |                |
|--|----------|----------|-------------------|-----------|--------|--------|--------|----------------|
|  | 1998     | 1999     |                   | 2002      | 2003   | 2004   | 2005   |                |
| EBIT                                       | 4,561    | (19,940) | 10,880            | 7,484     | 14,445 | 14,330 | 15,820 | 19,957         |
| Non-deductible amortization                | 7,200    | 7,200    | 7,200             | 7,200     | 7,200  | 7,200  | 7,200  | 7,200          |
| EBITA                                      | 11,761   | (12,740) | 16,080            | 14,684    | 21,645 | 21,530 | 23,020 | 27,157         |
| Taxes @ 40%                                | 4,704    | (5,096)  | 7,232             | 5,874     | 8,658  | 8,612  | 9,208  | 10,863         |
| Operating profit after taxes               | 7,057    | (7,644)  | 10,848            | 8,810     | 12,987 | 12,918 | 13,612 | 16,294         |
| Deductible depreciation and amortization   | 14,909   | 13,823   | 12,778            | 13,130    | 14,803 | 17,786 | 20,768 | 23,751         |
| Capital expenditures                       | 10,997   | 5,303    | 3,272             | 11,844    | 10,025 | 3,478  | 3,478  | 3,478          |
| Change in working capital                  |          |          |                   | 80        | 4,012  | 2,154  | 2,535  | 3,145          |
| Unlevered free cash flow                   | 10,969   | 876      | 20,354            | 10,017    | 13,753 | 25,072 | 28,567 | 33,422         |
| WACC                                       | 18.1%    |          |                   | 11,647    | 17,982 | 17,352 | 17,193 | 64,174         |
| Discounted unlevered free cash flow @ WACC |          |          |                   |           |        |        |        |                |
| EBITDA                                     |          |          |                   |           |        |        |        | 50,908         |
| Terminal multiple                          |          |          |                   |           |        |        |        | 7.22           |
| Terminal value                             |          |          |                   |           |        |        |        | <u>367,554</u> |
| Present value of terminal value            |          |          |                   |           |        |        |        | <u>173,997</u> |
| Enterprise value                           |          |          |                   |           |        |        |        | 238,171        |

4

**Coram Healthcare**  
**Appendix 10**  
**Discounted Cashflow Analysis - Goldin as of August 31, 2001**

|  | Restated |          | Estimated |        | Projected |        |         |        |
|--|----------|----------|-----------|--------|-----------|--------|---------|--------|
|  | 1998     | 1999     | 2000      | 2001   | 2002      | 2003   | 2004    | 2005   |
| EBIT                                       | 4,561    | (19,940) | 10,880    | 7,484  | 14,445    | 14,330 | 15,820  | 19,957 |
| Non-deductible amortization                | 7,200    | 7,200    | 7,200     | 7,200  | 7,200     | 7,200  | 7,200   | 7,200  |
| EBITA                                      | 11,761   | (12,740) | 18,080    | 14,684 | 21,645    | 21,530 | 23,020  | 27,157 |
| Taxes @ 40%                                | 4,704    | (5,096)  | 7,232     | 5,874  | 8,658     | 8,612  | 9,208   | 10,863 |
| Operating profit after taxes               | 7,057    | (7,644)  | 10,848    | 8,810  | 12,987    | 12,918 | 13,812  | 16,294 |
| Deductible depreciation and amortization   | 14,909   | 13,823   | 12,778    | 13,130 | 14,803    | 17,786 | 20,768  | 23,751 |
| Capital expenditures                       | 10,997   | 5,303    | 3,272     | 11,844 | 10,025    | 3,478  | 3,478   | 3,478  |
| Change in working capital                  | -        | -        | -         | 80     | 4,012     | 2,154  | 2,535   | 3,145  |
| Unlevered free cash flow                   | 10,959   | 876      | 20,354    | 10,017 | 13,753    | 25,072 | 28,567  | 33,422 |
| WACC                                       | 17.7%    |          | 12,005    |        | 18,592    |        | 17,998  |        |
| Discounted unlevered free cash flow @ WACC |          |          |           |        |           |        | 50,908  |        |
| EBITDA                                     |          |          |           |        |           |        | 7.14    |        |
| Terminal multiple                          |          |          |           |        |           |        | 363,465 |        |
| Terminal value                             |          |          |           |        |           |        | 179,269 |        |
| Present value of terminal value            |          |          |           |        |           |        | 245,747 |        |
| Enterprise value                           |          |          |           |        |           |        |         |        |

The sensitivity analysis on the left below reflects the DCF result more heavily than the NPV result.

Coram Healthcare  
 Appendix 12  
 Normalized 2000 EBITDA

2000  
 Per Company-Populated.  
 Adjusted by Goldin  
Infusion Only

Infusion EBITDA  
 Additional Infusion income - joint ventures and minority interest  
 MIP

|               |  |  |
|---------------|--|--|
| 30,858        |  |  |
| 188           |  |  |
| 13,630        |  |  |
| <u>44,676</u> |  |  |

Normal 3.2% Reserve for Uncollectibles  
 Amount deducted - current period  
 Amount reversed - prior periods

|              |       |  |
|--------------|-------|--|
| 12,819       |       |  |
| 8,991        |       |  |
| <u>3,451</u> |       |  |
|              | (377) |  |

Adjustments to Operating expenses  
 Additional adjustments affecting Infusion EBITDA - Operating  
 Adjustments to Corporate expenses  
 Adjustments not affecting Infusion EBITDA - Corporate

|              |  |  |
|--------------|--|--|
| (9,039)      |  |  |
| (143)        |  |  |
| (4,639)      |  |  |
| <u>2,000</u> |  |  |

Normalized Pre-MIP  
 MIP @ 5.5% of Branch EBITDA

|              |  |  |
|--------------|--|--|
| 32,478       |  |  |
| <u>3,421</u> |  |  |

\* Post-MIP EBITDA

29,057

January 24, 2002

To: Mr. Bob Gaddigan

Re: Contract with Cerberus

Dear Bob,

Steve asked me to provide you with a list of the various deals I work on last year for Cerberus. Here's the list:

|                             |   |
|-----------------------------|---|
| Curative                    | Advised Kevin Genda   |
| Hanger Orthopedics          | Advised Kevin Genda   |
| MaxiCare                    | Advised Kevin Genda   |
| NCSS Pharmacy               | Advised Bob Davenport   |
| Pacificare Health           | Advised Ron Goldstein   |
| Sunstar                     | Advised Bill Richter/Neporent   |
| <br><u>Winterland</u>       | Advised Kevin Genda. (While Winterland was a loss, work resulted in a reduction Cerberus' investment exposure from \$44 Million to \$20 Million. Note: I was not a part of the decision to invest in Winterland, but was brought in to try to do a rescue mission). |
| <br><u>Kindred</u>          | Advised Ron Goldstein. Estimate Gain at \$40 - \$50 Million.  |
| <br><u>Sun Health</u>       | Advised Ron Goldstein. Estimate Gain at \$1 Million.  |
| <br><u>PHP</u>              | Advised Dan Wolf. Estimate Gain at \$1 - \$2 Million.   |
| <br><u>Beverly Nursing</u>  | Advised Peter Locke. Estimate Gain on debt of 18% (\$13-\$14 Million/Year).   |
| <br><u>Other activities</u> | Recruiting, Advise/counsel, Locating Board Members, Assisting in fund raising, Research for Bob Davenport, Kevin Genda, Ron Goldstein, Steve Feinberg, Seth Plattus, Mark Neporent, and Bill Richter.   |

Please provide this information to Mr. Feinberg.

Dan Crowley

CRX 00606

EXHIBIT

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2/15/07 (D)

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P.02/02

P.02/02

January 24, 2002

To: Mr. Bob Gaddigan

Re: Contract with Cerberus

Dear Bob,

Steve asked me to provide you with a list of the various deals I work on last year for Cerberus. Here's the list:

|                             |   |
|-----------------------------|---|
| Curative                    | Advised Kevin Genda   |
| Hanger Orthopedics          | Advised Kevin Genda   |
| MaxiCare                    | Advised Kevin Genda   |
| NCSS Pharmacy               | Advised Bob Davenport   |
| Pacificare Health           | Advised Ron Goldstein   |
| Sunstar                     | Advised Bill Richter/Neporent   |
| <u>Winterland</u>           | Advised Kevin Genda. (While Winterland was a loss, work resulted in a reduction Cerberus' investment exposure from \$44 Million to \$20 Million. Note: I was not a part of the decision to invest in Winterland, but was brought in to try to do a rescue mission). |
| <u>Kindred</u>              | Advised Ron Goldstein. Estimate Gain at \$40 - \$50 Million.  |
| <u>Sun Health</u>           | Advised Ron Goldstein. Estimate Gain at \$1 Million.  |
| <u>PHP</u>                  | Advised Dan Wolf. Estimate Gain at \$1 - \$2 Million.   |
| <u>Beverly Nursing</u>      | Advised Peter Locke. Estimate Gain on debt of 18% (\$13-\$14Million/Year).  |
| <u>Health Plan Services</u> | Advised Dan Wolf - Gain unknown   |
| <u>Other activities</u>     | Recruiting, Advise/counsel, Locating Board Members, Assisting in fund raising, Research for Bob Davenport, Kevin Genda, Ron Goldstein, Steve Feinberg, Seth Plattus, Mark Neporent, and Bill Richter.   |

Please provide this information to Mr. Feinberg.

*Dave Crowley*

CRX 00605

MAR 11 2002 14:26 FR ---

9164496059 TO SCHREIBER

P.02

## CORAM HEALTHCARE

1125 Seventeenth Street  
 Suite 2100  
 Denver, Colorado 80202  
 303.292.4973 / 800 CORAM HC  
 303.298.0043 FAX  
[www.coramhealthcare.com](http://www.coramhealthcare.com)

March 11, 2002

Honorable Judge Arlin Adams  
 Trustee, Coram Healthcare Corporation  
 1600 Market Street, Suite 3600  
 Philadelphia, Pennsylvania 19103-7286  
 Via Facsimile: 1-215-751-2416

*Final*

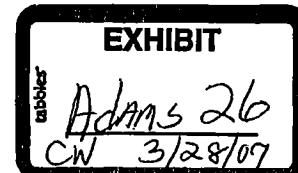
Dear Judge Adams:

Thank you for extending the courtesy of introducing yourself to me via telephone on Friday. As we discussed, there really are no immediate issues that threaten Coram's viability. Coram continues to experience positive EBITDA (although its net income is negative after the "ITDA"). Coram has a positive cash balance of \$25,928,022.02 this morning, and it is paying its bills promptly. Sales have been growing modestly for the past six (6) months. That said, the management team is fragile and, when appropriate, I would be pleased to discuss the Motion before Judge Walrath related to a Key Employee Retention Program (KERP).

Over the past two years I have communicated with Coram's Board of Directors at meetings and through periodic letters. All of these letters are available for your review along with all other pertinent communications and management reports. For your information, I am enclosing a copy of the last two (2) letters to the Board. Please let me know if you wish to receive any or all of the past letters or, for that matter, anything else prior to commencement of your investigation.

Since August 2000, when the valuation experts determined that Coram was insolvent, we have been attempting to Reorganize through Chapter 11. Despite opinions from UBS Warburg, Chanin Capital Partners, Goldin & Associates, and Deloitte that Coram was and is insolvent, Judge Walrath denied confirmation on two occasions primarily due to a continuing relationship I have had with Cerberus (one of Coram's Note Holders).

Section 2 of my Coram Employment Agreement stipulates that ... the Company recognizes that executive will have other business interests and may serve as an officer or consultant to other businesses." The work I have done for Cerberus does not relate to Coram (i.e. I advised Cerberus on investments in healthcare such as Beverly Nursing Homes of Florida, Quest, Kindred Nursing Homes, Sun Healthcare Nursing Homes, Health Plan Services, MCA, PHP Health Plan, Winterland, Curative Healthcare, Hanger Orthopedics and many others. I also assisted Cerberus with Healthcare Research, locating potential Board Members, Fund Raising, and Management Team Recruitment. Coram is contractually *excluded* in my work for Cerberus).



MAR 11 2002 14:26 FR

9164496059 TO SCHREIBER

P.03

Page 2 of 3 Pages  
Letter to Judge Adams, dated March 11, 2002

Throughout the process, we have been advised by Kasowitz, Benson, Torres, and Friedman, Chanin Capital Partners, ReedSmith, and Ernst & Young. Mr. Friedman advised me and the Board that the reason for the first denial related to a need for greater disclosure of my work for Cerberus and related compensation. At no time did Mr. Friedman or anyone else advise me to discontinue my work with Cerberus. Nor did Mr. Friedman ever suggest that Coram obtain authority for my continued employment. The most recent Plan of Reorganization was preceded by numerous disclosures of my work with Cerberus (Form 10K, 3 Form 10Qs, and the actual Plan which the Judge, the Equity Committee, and the Note Holders reviewed prior to circulation). All of these documents were reviewed and approved by the Coram Board.

After the 1<sup>st</sup> Plan was denied, Judge Walrath approved the Independent Board Members' Motion to retain Goldin & Associates to investigate the alleged conflict and the related issues. Goldin indicated in a 122-page report (a copy of which will be sent overnight) that... "there is no evidence suggesting that had he (Crowley) had no conflict Crowley would have managed Coram's operations or finances more effectively to stabilize Coram's operations and improve its financial performance, a goal shared by the Noteholders *and* the stockholders." Goldin also indicated in his report that they "... probed the underlying facts in this matter and sought to adduce any evidence of wrongdoing." Goldin concluded that there is ... "no such evidence, other than the finding of an actual conflict of interest by the Court" and Goldin also found... "no evidence of a proclivity to whitewash or tilt facts to vindicate Mr. Crowley."

Post petition, Coram has received two (2) clean audit opinions from Ernst & Young. The 2<sup>nd</sup> plan was exactly as recommended by Goldin & Associates who acted for the Independent Board Members as an Independent Advisor with his own Counsel. I was not a proponent in the development or offering of the 2<sup>nd</sup> Plan. However, after the 2<sup>nd</sup> Plan was denied, I formally suspended my contractual relationship with Cerberus.

Judge Adams, I realize that along with investigating the facts, that you are charged with developing another Plan of Reorganization and with the overall supervision/operation of Coram. I want you to know that you will find us to be open and honest. We welcome your presence here and are prepared to cooperate unstintingly in any process that will lead to a fair and timely resolution of this reorganization. To that end, I am willing to come to your offices or to be available for you anywhere you wish.

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MAR 11 2002 14:27 FR ---

9164496059 TO SCHREIBER

P.04

Page 3 of 3 Pages  
Letter to Judge Adams, dated March 11, 2002

Your Honor, as you begin to get a sense of Coram, I think that is important for you to know that in addition to being CEO of Coram, I have acted in many other ways that principally come as a result of overseeing a fragile company and its turnaround. In 1999 Coram had an EBITDA loss of nearly \$50 Million. In 2000 Coram's EBITDA was a gain from operations of over \$37 Million. 2001 was another solid year in spite of numerous adversities. The point is that the turnaround and current viability of Coram is the result, to a significant extent, of my own dedication, intensity and immersion in the day to day operation of Coram. This commitment continues on my part to this day. Coram remains very dependent upon me which is fine because I care greatly about this Company, its management team, the 2100 Coram employees, Coram's 18000 daily patients, its customers, vendors, and investors. Accordingly, I am open to discussing with you any plan you may have or develop for operating Coram so that the firm's progress continues.

Sincerely,

*Daniel D. Crowley*  
Daniel D. Crowley  
Chairman, President & CEO

Attachment(s)

Board Letters dated February 28<sup>th</sup> and March 5<sup>th</sup>, 2002

Cc:

- B. Feldman, Wilson Sonsini
- D. Friedman, Kasowitz, Benson, Torres & Friedman
- S. Schreiber, Much Schelist
- A. Marabito, Interim General Counsel, Coram Healthcare Corporation

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MAR 11 2002 14:27 FR ---

9164496059 TO SCHREIBER

P.05

CORAM HEALTHCARE

FAXED

1675 Broadway  
 Suite 900  
 Denver, Colorado 80202  
 303.292.4973 / 800 CORAM INC  
 303.672.8733 FAX  
 www.coramhc.com

February 28, 2002

Board of Directors  
 Coram Healthcare Corporation

Dear Fellow Board Member,

This is a brief update of the activities at Coram as a *supplement* to the discussions we had on our telephonic Board Meeting this morning

Coram's cash flow has still not fully recovered from the combination of seasonal slowdown by payers and the impact of our Billing Site consolidation effort. However, it is clear that cash collections are continuing to improve every day. (See Attachment #1). Cash in Coram's checkbook as of February 27, 2002 was \$25,154,101.54. This balance is after making payment for both Cardinal and the Directors and Officers Insurance. As is the normal situation, the balance will decline this week to reflect payroll and will recover to approximately the same level with next Monday's collection. Accounts Payable remains relatively current.

Importantly, Coram has *not taken a draw* on any revolver since November 1999.

Payroll continues to be closely controlled and for the week ending March 1, 2002 will be \$4,344,673. This compares to \$4,163,226 for the year ago week ending March 2, 2001 and to \$4,808,104 for the week ending March 3, 2000. (See Attachment #2).

Despite the uncertainty of a Trustee coming on, Sales for Coram continue to grow. Daily Sales Revenue has been up over the year ago month for September, October, November, December, January and, so far, in February. Here is the way it looks:

|           | 2001        | 2002                            |
|-----------|-------------|---------------------------------|
| September | \$1,455,000 | \$1,525,000                     |
| October   | \$1,448,000 | \$1,466,000                     |
| November  | \$1,541,000 | \$1,635,000                     |
| December  | \$1,619,000 | \$1,621,000                     |
| January   | \$1,491,000 | \$1,575,000                     |
| February  | \$1,458,000 | \$1,574,727 (Day 19 of 21 Days) |

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Page 2 of 2 Pages

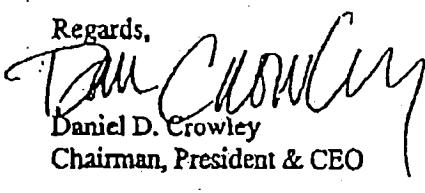
Letter Dated February 28, 2002 to Coram Healthcare Board of Directors.

Our initiative to grow Hemophilia has also continued to be successful. Through Day 19, Hemophilia is up 11% over Day 19 in January with Revenue so far of \$3,485,000 for February. Hemophilia Revenue was approximately \$28 Million in 2000 and \$37 Million in 2001. Clearly, it is *not appropriate* to annualize February and draw any conclusions about 2002. That said, Hemophilia's run rate would annualize at about \$42 Million for 2002 (\$3,485,000 x 12). The point is we seem to have created the right framework to grow this product and with proper focus and attention, it may develop into a meaningful unit for Coram.

At the same time, Vancomycin continues to be a *major negative* issue tamping down financial performance at Coram. The impact of the unilateral price reduction taken last July 1<sup>st</sup> by Abbott continues to damage Coram's EBITDA. (See Attachment #3). With the price cuts, Coram has suffered virtually \$ for \$ EBITDA reductions (related to Vancomycin) since July 1<sup>st</sup> as follows:

| Month          | Variance             |
|----------------|----------------------|
| June 2001      | NA                   |
| July 2001      | (\$1,063,310)        |
| August 2001    | (\$1,084,272)        |
| September 2001 | (\$ 971,774)         |
| October 2001   | (\$1,151,627)        |
| November 2001  | (\$1,082,684)        |
| December 2001  | (\$1,076,982)        |
| January 2002   | (\$1,088,647)        |
| Lost - EBITDA  | <u>(\$7,519,296)</u> |

Regards,



Daniel D. Crowley

Chairman, President &amp; CEO

Cc: A. Marabito  
B. Feldman

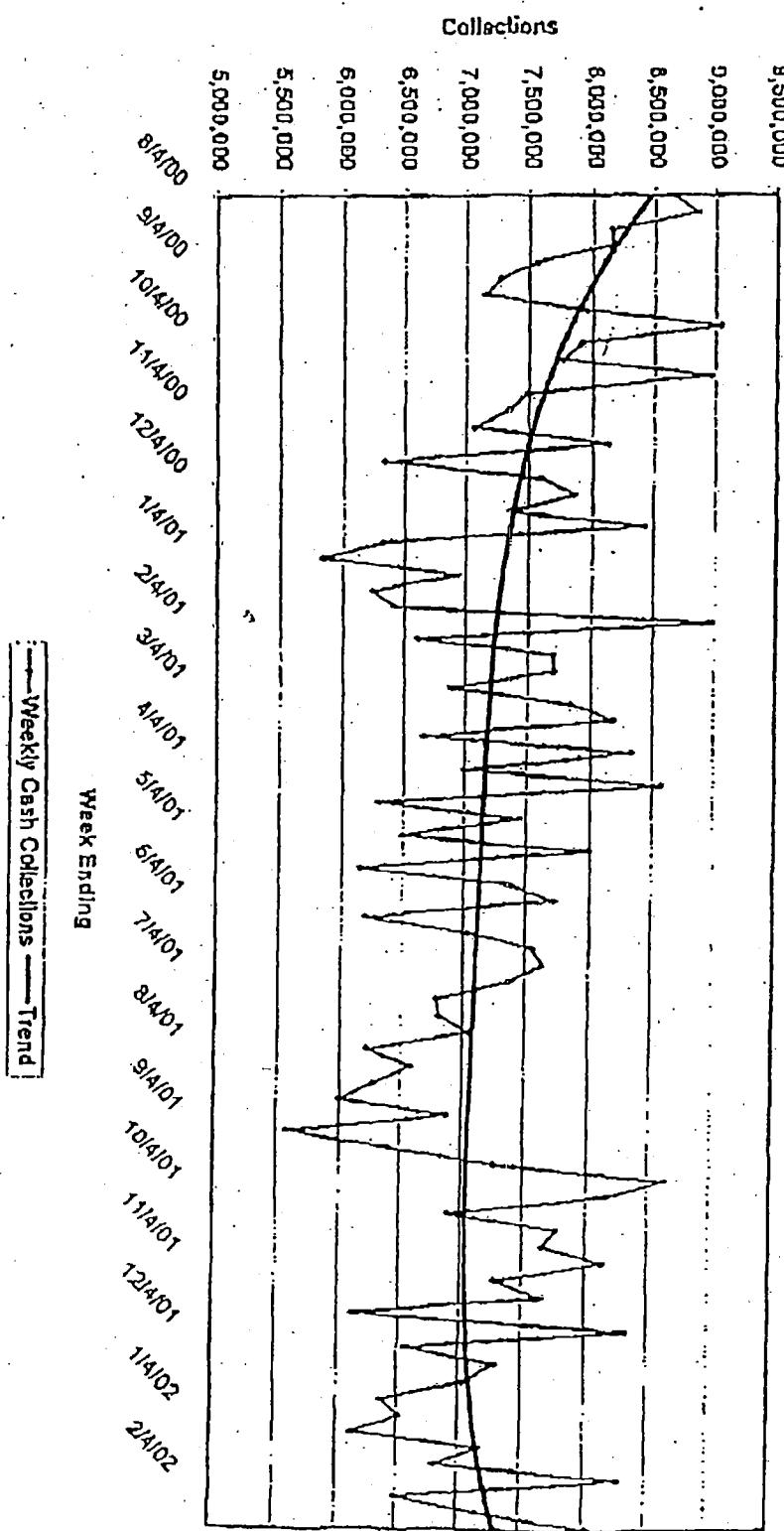
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Coram Healthcare Corporation  
August 2000 Forward  
Weekly Consolidated Cash Collections



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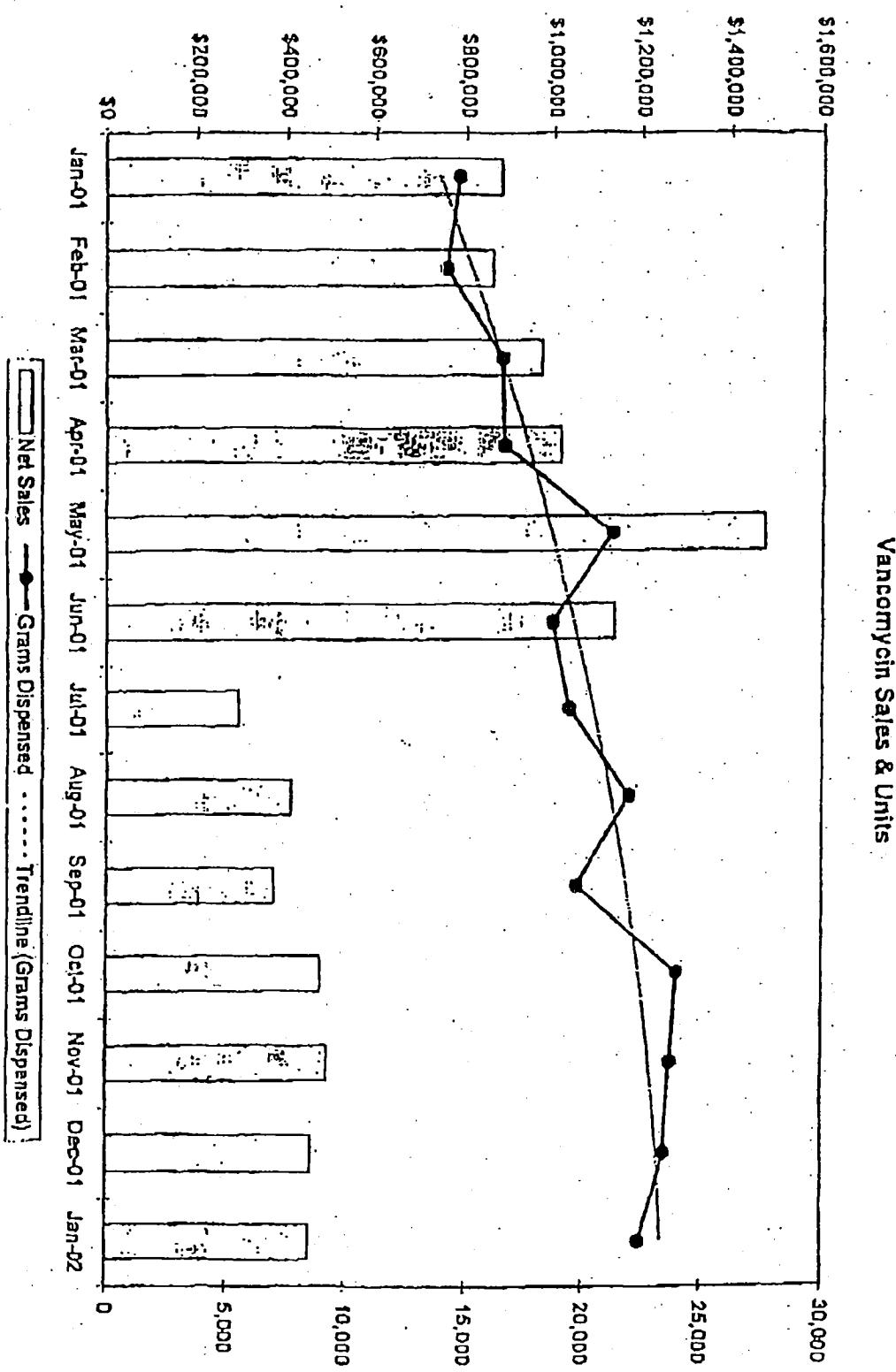
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Coram Healthcare Confidential

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